

## **REMARKS**

### **I. Real Party of Interest**

The real party of interest in the present application is the assignee of record, Cinecast LLC.

### **II. Related Appeal and Interferences**

The present application has no related cases that are the subject of a pending appeal or a pending interference.

### **III. Status of Claims**

**A)** Applicant's claim for domestic priority under 35 U.S.C. §119(e) stands denied.

**B)** Claims 1 - 26 stand rejected under 35 U.S.C. §112, ¶1 and ¶2.

**C)** Claims 17 - 23 stand rejected under 35 U.S.C. §112, ¶6.

**D)** Claims 1 - 26 stand rejected under 35 U.S.C. §102(b) over newly cited non-patent literature PACIFIC BELL WILL DELIVER MOVIES TO THEATRES, by Laura Evanson, San Francisco Chronicle, March 21, 1994.

**E)** Claims 1 - 26 stand rejected under 35 U.S.C. §103(a) over non-patent literature Cyberstar press release dated November 9, 1998 in view of U.S. Patent No. 5,133,079 to Ballantyne et al. and U.S. Patent No. 6,424,998 to Hunter.

### **IV. Status of Amendments**

Claims 1, 3, 5, 9, 10 and 12 - 27 are amended herein.

## **V. Summary of the Invention**

The invention is directed to systems and method for providing advertisement information to digital projection equipment in theatres. In an embodiment, the system includes, *inter alia*, a controller for selecting certain stored data for transmission to a first digital projector assembly responsive to movie show schedule information regarding a movie that is to be shown in a theatre environment associated with the first digital projector assembly. In further embodiments, the data is selected responsive to movie information or other common interest information.

## **VI. Issues**

The issues discussed herein are whether each of the following should be withdrawn:

- A)** The denial of applicant's claim for domestic priority under 35 U.S.C. §119(e).
- B)** The rejection of claims 1 - 26 under 35 U.S.C. §112, ¶1 and ¶2.
- C)** The rejection of claims 17 - 23 under 35 U.S.C. §112, ¶6.
- D)** The rejection of claims 1 - 26 under 35 U.S.C. §102(b) over newly cited non-patent literature PACIFIC BELL WILL DELIVER MOVIES TO THEATRES, by Laura Evanson, San Francisco Chronicle, March 21, 1994.
- E)** The rejection of claims 1 - 26 under 35 U.S.C. §103(a) over non-patent literature Cyberstar press release dated November 9, 1998 in view of U.S. Patent No. 5,133,079 to Ballantyne et al. and U.S. Patent No. 6,424,998 to Hunter.

## **VII. Grouping of the Claims**

Applicant identifies the following groupings of the claims for examination purposes:

Group I: claims 1 - 8, 17 and 25 - 26 which each require, in part, a controller or selection means for the selection of advertisement information responsive to movie show schedule information or other common interest information.

Group II: claims 9 - 12 which each require, in part, a processing unit for providing a first portion of advertisement information responsive to first theatre scheduling information, and providing a second portion of advertisement information responsive to second theatre scheduling information.

Group III; claims 13 - 14, which each require, in part, a processing unit or a selection means for providing a first portion of advertisement information responsive to first theatre scheduling information wherein the first theatre scheduling information includes information regarding whether a particular showing of a particular movie is within the first week of the first showing of the movie in that theatre.

Group IV: claims 15 - 16, which each require, in part, a method including the steps of selecting first stored data responsive to first movie identification information, selecting second stored data responsive to second movie identification information, transmitting the first stored data and transmitting the second stored data.

Group V: claims 18 - 20, which each respectively further require, in part, at least one of movie attendance feedback means, exposure log generation means, or exposure report means.

Group VI: claims 21 - 24, which each require, in part, each of movie attendance feedback means, exposure log generation means, and exposure correlation means.

## **VIII. Procedural Background**

On October 3, 2002 a first office action was issued that included a denial of the priority claim under §119, a requirement for additional background information under 37 C.F.R. §1.105, a rejection of all claims (1 - 26) under §112, ¶1 and ¶2, a rejection of claims 17 - 23 under §112, ¶6, a rejection of claims 15 - 16 and 25 - 26 under §101, and a rejection of all claims 1 - 26 under both §102 and §103. Applicant filed a response on November 27, 2002 that involved amendments to claims 1, 3, 4, 5, 8, 9, 11, 14, 15 and 25, and included an affidavit of the inventor David Sprogis under 37 C.F.R. §1.131 and a response to the request for additional information under 37 C.F.R. §1.105.

On December 26, 2002 a final office was issued that maintained the denial of the priority claim under §119, the rejection of claims 1 - 26 under §112, ¶1 and ¶2, the rejection of claims 17 - 23 under §112, ¶6, and the rejection of all claims 1 - 26 under both §102 and §103. Applicant's representative then conducted a personal interview with the examiner on February 10, 2003. Agreement was reached at the personal interview on many issues and as discussed at the personal interview, applicant subsequently filed a Request for Continued Examination on March 26, 2003 together with an affidavit of Dan Zehme under 37 C.F.R. §1.132, and an amendment in which claim 25 was amended.

The office action that issued on April 15, 2003 is inconsistent with each of the issues on which agreement was reached at the personal interview on February 10, 2003. First, during the personal interview, the examiner (Primary Examiner Stephen Gravini) indicated that the Affidavit of Dan Zehme (a copy of which was sent the Examiner by facsimile five days before the personal interview) was sufficient to remove the denial of priority under 35 U.S.C. §119 and the rejections under 35 U.S.C. §112. In the Interview Summary dated February 10, 2003 the examiner stated that "Agreement was reached with respect to rule 112/119 affidavit

reconsideration (new affidavit)". In the office action dated April 15, 2003, however, the examiner has again denied priority under §119 and rejected the claims under §112 for the same reasons stated in the prior office action dated December 26, 2002.

Second, during the personal interview on February 10, 2003 the examiner withdrew the position stated in the office action dated December 26, 2002 that the affidavit of the inventor David H. Sprogis dated November 27, 2002 does not support the date of conception of the invention (December 5, 1998), and therefore withdrew the rejections based on references (including U.S. Patent No. 6,424,998) that are not prior art in view of the Sprogis Affidavit. In the office action dated April 15, 2003, however, the examiner has again cited a U.S. Patent No. 6,424,998, which is not prior art under any provision of 35 U.S.C. §102 in view of the Sprogis Affidavit.

Third, during the personal interview, the examiner also withdrew the rejections based on the following non-patent literature: "Partnership Formed" from Screen Digest dated 07/1999; NCN Trademark Filing of DTDS dated 12/30/99; "Proxima and NCN" from Business Wire dated 6/25/1999; NCNInc.com background information dated 9/25/2002; "Coming Soon to a Theatre Near You: Local Digital Ads" from MediaPost.com dated September 26, 2002; U.S. 2001/0044726 dated 11/2001; Cyberstar Press release dated November 9, 1998; "Movies get a chunk of ad dollars from the Miami Herald" dated 01/25/87; and CineCast HD Internet Product summary dated 1998. In the office action dated April 15, 2003, however, the examiner again cited one of these non-patent references, namely Cyberstar Press release dated November 9, 1998, in connection with the §103 rejection.

Lastly, the office action dated April 15, 2003 further included an improper final rejection of non-amended claims under §102(b) over a newly cited reference (PACIFIC BELL WILL

DELIVER MOVIES TO THEATRES, by Laura Evanson, San Francisco Chronicle, March 21, 1994).

During a telephone interview with Supervisory Examiner Eric Stamber on April 22, 2003 the finality of the office action was removed as well as the rejection under 35 U.S.C. §101 of claims 25 and 26. The supervisory examiner also indicated that the applicant was urged to contact the examiner to further discuss the affidavit of Dan Zehme and the remaining issues.

A telephone interview was later conducted with the examiner on May 5, 2003 and the examiner maintained the position that the affidavit of Dan Zehme was not considered sufficient to overcome the rejections under §112 and §119, and also maintained the rejections under §102 and §103.

An information disclosure statement (IDS) is also being submitted herewith citing alleged prior art references that have been identified in connection with a related European Patent Office (EPO) application. Applicant does not concede that the references cited in the accompanying IDS are each prior art under U.S. law.

## **IX. Argument**

**A) The denial of applicant's claim for domestic priority under 35 U.S.C. §119(e); the rejection of claims 1 - 26 under 35 U.S.C. §112, ¶1 and ¶2; and the rejection of claims 17 - 23 under 35 U.S.C. §112, ¶6 should each be withdrawn.**

As indicated in the office actions dated October 3, 2002 and December 26, 2002, and as explained to the applicant's representative during the personal interview on February 10, 2003, the rejections under §112, ¶1, ¶2, ¶6 and §119, as well as the refusal to consider persuasive the affidavit of the inventor (David Sprogis) under 37 C.F.R. §131, all relate to the argument that each of the provisional and non-provisional applications fail to sufficiently disclose the process of selecting data responsive to movie show schedule information (see office action dated Dec.

26, 2002, pages 12 - 14). Although the examiner agreed that the provisional and non-provisional applications include a disclosure of the *structure* necessary to allow such data transmission, the examiner maintained that the "claimed controller for selecting data responsive to movie show schedule information is not considered to be *reasonably implied* from those discussions and figures". Id (*emphasis added*).

Responsive to these rejections, applicant submitted the affidavit of Dan Zehme dated March 25, 2003 under 37 C.F.R. §132, which detailed the specific page and line numbers in the non-provisional application and pages in the provisional application in which each of the following is disclosed: (1) data (including job data), movie schedule information, movie identification information, advertisement information, and first theatre scheduling information, common interest information; as well as (2) the selection of job data responsive to movie show schedule information, the selection of advertisement information responsive to first theatre scheduling information, and the selection of certain job data responsive to movie identification information. See the Affidavit of Dan Zehme dated March 25, 2003, ¶¶ 6 - 11.

The test for enablement under §112 is whether one of ordinary skill in the art could make or use the invention from the disclosure in the specification with information known in the art without undue experimentation. United States v. Teletronics, Inc., 857 F.2d 778, 785, 8 U.S.P.Q.2d 1217, 1223 (Fed. Cir. 1988), *citing*, Hybritech, Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 1384, 231 U.S.P.Q. 81, 94 (Fed. Cir. 1986), *cert. denied*, 480 U.S. 947, 107 S.Ct. 1606, 94 L.Ed.2d 792 (1987).

Dan Zehme received a Bachelor of Science degree from Rensselaer Polytechnic Institute in Computer Science in 1989 and has worked in the design, development and implementation of computer database systems since 1989. See Zehme Affidavit, ¶3. Notwithstanding the

agreement that was reached at the personal interview on February 10, 2003, the office action dated April 15, 2003 states that:

The affidavit submitted by an officer of the assignee is not considered persuasive to overcome examiner's {sic} objection with respect to priority, enablement, and indefiniteness. An affidavit from a chief technical officer of an assignee of the claimed invention tends to show a vested interest in interpreting the claimed invention in light of the priority document and its later filed specification. Examiner considers the skill level of the affidavit declarant to be beyond on {sic} of ordinary skill and therefore is not considered persuasive to overcome issues raised by the examiner. The affidavit also has not mention {sic} of the claimed common interest identification or common interest data which is considered to be enabling in the specification or its priority document such that priority can be granted.

Office Action dated April 15, 2003, p.13.

There is no legal authority cited for the refusal to consider the §132 affidavit persuasive. Such affidavits must be considered and the examiner must provide reasons why one of ordinary skill in the art would not consider the description sufficient to permit one of ordinary skill in the art to understand that the inventor had possession of the invention at the time of filing the application. In re Alton, 76 F.3d 1168, 37 U.S.P.Q.2d 1578 (Fed. Cir. 1996) (reversing the examiner's refusal to consider declaration that offered factual evidence of why one of ordinary skill in the art would have understood the specification to fully describe the invention as claimed). It is insufficient to simply state that the affidavit is not considered persuasive.

Further, the office action dated April 15, 2003 states that the specification does not clearly describe the "common interest identification means or common interest data". The language "common interest identification means" has been removed from the claims in this response. This language "common interest data" is supported in the specification at the same places that are discussed in Dan Zehme's affidavit. In particular, common interest data may be,



for example, information regarding a movie such as movie schedule information or movie identification information, or information regarding the time of day that a movie is scheduled to be shown as disclosed in the application, as claimed in original claims 22 and 23, and as discussed in Dan Zehme's affidavit at paragraphs 7, 8, 10 and 11. Further, as recited in amended claims 17 and 25, this information includes data representative at least one of a first movie that is to be shown to a first audience, a first location at which a movie is to be shown to a first audience, and a first time that a movie is to be shown to a first audience.

Applicant respectfully requests that the rejections under §112 and §119 be re-withdrawn in view of the affidavit of Dan Zehme.

**B) The rejection of claims 1 - 26 under 35 U.S.C. §102(b) over newly cited non-patent literature PACIFIC BELL WILL DELIVER MOVIES TO THEATRES, by Laura Evanson, San Francisco Chronicle, March 21, 1994 should be withdrawn.**

The office action dated April 15, 2003 includes a rejection of claims 1 - 26 under 35 U.S.C. §102(b) over the following newly cited reference:

PACIFIC BELL WILL DELIVER  
MOVIES TO THEATRES

Laura Evanson

March 21, 1994

A sustainable rejection under § 102 requires the disclosure in a single piece of prior art of each and every limitation of a claimed invention. Apple Computer, Inc. v. Articulate Systems, Inc., 234 F.3d 14, 57 U.S.P.Q.2d 1057 (Fed. Cir. 2000), *citing*, Electro Med. Sys. S.A. v. Cooper Life Sciences, 34 F.3d 1048, 1052, 32 U.S.P.Q.2d 1017, 1019 (Fed. Cir. (1994)). In other words, there must be no difference between the claimed invention and the cited reference. Scripps Clinic & Research Found. v. Genentech, Inc., 927 F.2d 1565, 1576, 18 U.S.P.Q.2d 1001, 1010 (Fed. Cir. 1991).

The Pacific Bell reference utterly fails to include all of the limitations of any of the independent claims in the present application, and at best discloses in paragraph 10 thereof that certain movie trailers and commercials may be targeted to specific audiences as controlled by theatre owners. The article (apparently published in the San Francisco Chronicle) states that Pacific Bell had planned in the future (with respect to the date of the article - March 21, 1994) to begin delivering movies to movie theatres via high-speed optical digital networks. The article includes no technical details regarding such a delivery system and proposes that "[s]tudios could send digitized movies directly to theatre owners." See ¶10. The last sentence in paragraph 10 of the Pacific Bell reference then states:

Theatre owners could also contract with studios or with advertising firms to offer movie trailers and commercials targeting specific audiences.

Pacific Bell reference, ¶10. Contracting with studios to offer targeted trailers and commercials is not the same as providing automated targeting as provided in applicant's claims. There is simply no disclosure in this reference of a computer system to perform this selection in an automated fashion. Paragraphs 14 - 19 of the article relate to an entirely different product, namely a system of distributing magazines/catalogs via CD-ROM.

The automated targeting feature of the applicant's invention is absolutely not disclosed or implied in the Pacific Bell reference. In fact, the reference may even be read to teach that even with the bare concept of a digital movie distribution network as generally proposed in Pacific Bell, the targeting of advertising to audiences would still need to be performed by theatre owners pursuant to contracts with studios or advertising firms. Applicant has developed an automated system for achieving highly targeting advertising to theatre audiences. None of the applicant's claims, therefore, reads on the disclosure in the Pacific Bell reference.

In particular, independent claim 1 is directed to a system that includes, *inter alia*, a controller for selecting certain stored data for transmission to a first digital projector assembly responsive to movie show schedule information regarding a movie that is to be shown in a theatre environment associated with the first digital projector assembly. The Pacific Bell reference does not disclose at least this element of independent claim 1.

Independent claim 9 is directed to a system that includes, *inter alia*, a plurality of digital projector assemblies including a first projector assembly in a first theatre and a second projector assembly in a second theatre, and a processing unit that is adapted to provide a first portion of advertisement data to the first digital projector assembly responsive to first theatre scheduling information regarding a movie that is to be shown in the first theatre, and is further adapted to provide a second portion of advertisement data to the second digital projector assembly responsive to second theatre scheduling information regarding a movie that is to be shown in the second theatre. The Pacific Bell reference does not disclose at least these elements of independent claim 9.

Newly independent claim 13 includes the above elements of claim 9 and further requires that the first theatre scheduling information includes information regarding whether a particular showing of a particular movie is within the first week of the first showing of the movie in that theatre. The Pacific Bell reference does not disclose at least these elements of independent claim 13.

Independent claim 15 is directed to a method that includes, *inter alia*, the steps of selecting first stored data for transmission to a first digital projector assembly responsive to movie identification information regarding a first movie that is to be shown in a first theatre environment associated with the first digital projector assembly, selecting second stored data for transmission to a second digital projector assembly responsive to movie identification

information regarding a second movie that is to be shown in a second theatre environment associated with the second digital projector assembly, and transferring the first and second stored data to the first and second digital projector assemblies respectively. The Pacific Bell reference does not disclose any of these steps of independent claim 15.

Independent claim 17 is directed to a system that includes, *inter alia*, selection means for selecting a subset of advertisement information responsive to first audience common interest information, and display means for permitting the selected subset of the advertisement information to be displayed to a first audience. The first audience common interest information is further recited to include data representative of at one of a first movie, a first location and a first time. The Pacific Bell reference does not disclose any of these elements of independent claim 17.

Newly independent claim 18 includes each of the above elements of claim 17 and further includes movie attendance feedback means for receiving first attendance data representative of information regarding a number of people comprising the first audience. The Pacific Bell reference does not disclose any of these elements of independent claim 18.

Newly independent claim 21 includes each of the above elements of claim 17 and further includes movie attendance feedback means, exposure log generation means and exposure correlation means. The Pacific Bell reference does not disclose any of these elements of independent claim 21.

Independent claim 25 is directed to a method that includes, *inter alia*, the steps of receiving common interest data representative of a common interest characteristic that each of the members of a first audience has in common, and selecting from the computer storage medium a subset of the advertisement information responsive to the common interest data. Again, the common interest characteristic is further recited to include data representative of at

one of a first movie, a first location and a first time. The Pacific Bell reference does not disclose any of these steps of independent claim 25.

Each of dependent claims 2 - 8, 10 - 12, 14, 16, 19 - 20, 22 - 24 and 26 depends from claims 1, 9, 13, 15, 17, 18, 21 and 25 respectively and further limit the subject matter of the respective base independent claim. The rejection of each of claims 1 - 26, therefore, under §102 must be withdrawn.

**C) The rejection of claims 1 - 26 under 35 U.S.C. §103(a) over non-patent literature Cyberstar press release dated November 9, 1998 in view of U.S. Patent No. 5,133,079 to Ballantyne et al. and U.S. Patent No. 6,424,998 to Hunter should be withdrawn.**

Claims 1 - 26 stand rejected under §103 in the office action over the following references:

CYBERSTAR PRESS RELEASE	Loral Co.	November 9, 1998
Ballantyne et al.	5,133,079	July 2, 1992
Hunter	6,424,998	July 23, 2002

The test for obviousness under §103 is whether the subject matter of the claims would have been obvious at the time of the invention to one of ordinary skill in the art in view of the cited references. 35 U.S.C. §103(a). As stated by the Court of Appeals for the Federal Circuit:

To reach a proper conclusion under §103, the decisionmaker must step backward in time and into the shoes worn by a person having ordinary skill in the art when the invention was unknown and just before it was made.

In re Fine, 837 F.2d 1071, 1074, 5 U.S.P.Q.2d 1586, 1598 (Fed. Cir. 1988).

A rejection under §103 must rest on a factual basis without hindsight reconstruction of the invention from the prior art. In establishing a *prima facie* case of obviousness, it is

incumbent on the examiner to provide a reason why one of ordinary skill in the art would have been led to modify a prior art reference or to combine reference teachings to arrive at the claimed invention. Ex parte Clapp, 227 U.S.P.Q. 972, 973 (Bd.Pat.App.&Int. 1985). The requisite motivation must stem from some teaching, suggestion or inference in the prior art as a whole or from the knowledge generally available to one of ordinary skill in the art and not from the applicant's own disclosure. Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 1052, 5 U.S.P.Q.2d 1434, 1452 (Fed. Cir. 1988), *cert denied*, 488 U.S. 825, 102 L.Ed.2d 51, 109 S.Ct. 75 (1988). A sustainable rejection under § 103, therefore, requires more than modifying the prior art to achieve the claimed invention. The "mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification." In re Gordon, 933 F.2d 900, 902, 221, U.S.P.Q. 1125, 1127 (Fed. Cir. 1984).

The Cyberstar reference appears to be an announcement that as of November 9, 1998, National Cinema Network had selected Cyberstar L.P. to "implement new technology that will deliver in-theatre media to its nationwide cinema network". Cyberstar reference, page 1. The Cyberstar reference also states that "Cyberstar's digital broadcast/multicast technology will enable NCN to facilitate more rapid and dynamic updates of entertainment and advertising media." Cyberstar reference, p.1. The reference also provides the following brief biographical information regarding National Cinema Network on page 2 thereof:

National Cinema Network, based in Kansas City, Mo, is the nation's leading premier cinema advertising company, representing more than 9,900 movie screens in the nation's finest theatres. Established in 1985, NCN provides pre-feature fun for moviegoers and effective media, such as Pre-Show Countdown<sup>TM</sup>, Promo-Spot<sup>TM</sup>, On-Screen Entertainment<sup>TM</sup>, Movie Times®, and Movie Tunes® to reach desirable consumers nationwide. For more information about NCN, call 1-800-SCREEN-1, or visit NCN's web site at [www.NCNinc.com](http://www.NCNinc.com).

Cyberstar reference, p.2.

The discussion of these conventional pre-feature advertisements, however, is not related to the general concept of a "nationwide cinema network" proposed on the first page of the Cyberstar reference. There is no disclosure in Cyberstar of any automated targeting of advertising based on movie or movie schedule information. It is impermissible under §103 to use hindsight to reconstruct the applicant's invention from the prior art. Moreover, and similar to a fair reading of the Pacific Bell reference, the fact that conventional pre-show advertising techniques are disclosed in the Cyberstar reference together with disclosures of networks for distributing movies in digital format yet providing no nexus between the two, supports the applicant's position that it was not obvious at the time of the invention to develop an automated targeting procedure and system for providing selected advertisements for distribution to individual theatre screens based on movie information in an automated fashion. Further, because the time of receipt of advertisement data may occur at a much earlier time than the time of receipt of movie or movie show schedule information, it was not at all obvious that a system could be developed that provides the automated targeting as claimed in the claims.

The Ballantyne et al. reference provides no further disclosure of such automated targeted advertising. The Ballantyne et al. reference discloses a method and apparatus for distributing movies via a fiber optic communication network for viewing on a customer's television set. Although the customers may select certain programs, there is no disclosure in Ballantyne et al. of the automated selection of any advertisement data responsive to movie information or movie schedule information. The Ballantyne et al. reference does disclose that a "video combiner (20) makes it possible to mix specific advertisements, previews of additional movies, etc. to each movie being transmitted." Ballantyne et al., col.4, lines 27 - 29. The Ballantyne et al. reference further discloses that an advertisement library may be provided and that "ads can be specifically

transmitted on a daily basis, only during busy periods, only with respect to specific movies (environmentally conscious advertisements), etc." Ballantyne et al., col.4, lines 32 - 38.

This reference, however, merely teaches that ads may be created and mixed with certain movies for transmission to a customer's television set. The reference does not disclose the *automated selection* of certain ads from a database responsive to movie information or any movie schedule information. The reference simply states that a video mixer makes it possible to combine ads with movies. The method of selecting which ads are to be combined with which movies is not disclosed in Ballantyne et al. and is presumably done by a person as was conventional. In fact, if such an automated selection were contemplated by Ballantyne et al., it would likely have been disclosed. Such automated selection, however, is not disclosed, taught or suggested in Ballantyne et al. alone or in combination with any of the other references.

Again, the fact that Ballantyne includes digital movie distribution and a library of advertisements yet provides no suggestion for an automated selection procedure supports the applicant's position that it was not obvious at the time of the invention to develop an automated targeting procedure and system for providing selected advertisements for distribution to individual theatre screens based on movie information in an automated fashion. This may be due, at least in part, to the fact that advertisement data and movie or movie show schedule information may be received at very different times, possibly even with little lead time prior to a showing. Neither hindsight nor the teachings of applicant's disclosure may be used to provide a nexus that is wholly missing from the prior art.

The Hunter et al. reference issued on July 23, 2002 and claims an original priority filing date of April 28, 1999, which is after Applicant's date of conception. In view of Applicant's earlier date of conception and diligence in constructively and then actually reducing the invention to practice (Sprogis Affidavit, ¶¶ 4,8 and 14), it is again respectively submitted that



this reference does not constitute prior art to the present application and should be re-withdrawn. In any event, the fact that this non-prior art reference still fails to provide any disclosure, teaching or suggestion of the automated selection of advertisement data responsive to movie or movie show schedule information or other common interest information, further supports applicant's position that such a feature was not at all obvious prior to the invention. The Hunter et al. reference also discloses both the digital movie distribution networks and the display of advertisements in high traffic areas in specific geographic locations such as billboards, movie theatres, restaurants, sports arenas, and casinos. Although the Hunter et al. reference discloses geographic targeting, there is no suggestion in Hunter et al. of the selection of advertisement data responsive to movie show schedule information. Even though this reference is not prior art, the fact that it still does not provide the necessary teaching or suggestion to achieve the automated targeting based on movie or movie show schedule information further supports applicant's position that such was not obvious at the time of the applicant's invention.

In sum, the references fall short of disclosing, teaching or even suggesting an automated targeting system for advertisements at theatres as claimed in each of the elements of applicant's independent claims. With regard to each of the independent claims in particular, neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof, includes a disclosure of, among other elements, a *controller for selecting* certain stored data for transmission to a first digital projector assembly responsive to movie show schedule information regarding a movie that is to be shown in a theatre environment associated with the first digital projector assembly as claimed in claim 1.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, among other elements, a processing unit that is adapted to provide a *first portion of data* representative of advertisement information to a

first digital projector responsive to *first theatre scheduling information* regarding a movie that is to be shown in the first theatre and that is adapted to provide a *second portion of data* representative of advertisement information to a second digital projector responsive to *second theatre scheduling information* regarding a movie that is to be shown in the second theatre as claimed in claim 9.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, the above elements of claim 9 wherein the first theatre scheduling information includes information regarding whether a particular showing of a particular movie is within the first week of the first showing of the movie at that theatre as claimed in claim 13.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, among other elements, a steps of *selecting first stored data* from a computer storage unit for transmission to a first digital projector assembly *responsive to first movie identification information* regarding a first movie that is to be shown in a first theatre environment associated with the first digital projector assembly; and selecting *second stored data* from the computer storage unit for transmission to a second digital projector assembly *responsive to second movie identification information* regarding a second movie that is to be shown in a second theatre environment associated with the second digital projector assembly as claimed in claim 15.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, among other elements, a *selection means* for *selecting a subset of advertisement information responsive to first audience common interest information* including data representative of at least one of a *first movie* that is to be shown to a

first audience, a *first location* at which a movie is to be shown to a first audience, and a *first time* that a movie is to be shown to a first audience as claimed in claim 17.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, the above elements of claim 17 wherein the system further includes movie attendance feedback means for receiving first attendance data representative of information regarding a number of people comprising the first audience as claimed in claim 18.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, the above elements of claim 17 wherein the system further includes movie attendance feedback means, exposure log generation means and exposure correlation means as claimed in claim 21.

Neither the Cyberstar reference nor the Ballantyne et al. reference, nor any combination thereof includes a disclosure, teaching or suggestion of, among other elements, a *step of selecting a subset of advertisement information responsive to common interest data* that is representative of a common interest characteristic that each of the members of a first audience has in common, wherein the common interest data includes data representative of at least one of a *first movie* that is to be shown to a first audience, a *first location* that a movie is to be shown to a first audience, and a *first time* that a movie is to be shown to a first audience as claimed in claim 25.

None of independent claims 1, 9, 13, 15, 17, 18, 21 or 25, therefore, is disclosed, taught or suggested by the Cyberstar reference, the Ballantyne et al. reference, or any combination thereof. The rejection of claims 1-26 under §103(a) should, therefore, be withdrawn.

Applicant respectfully urges that each of claims 1 - 26 is in condition for allowance. Favorable action consistent with the above is respectfully requested.

## **X Additional Prior Art Cited Herein**

In a related European Patent Office (EPO) application, additional alleged prior art references have been cited to the EPO by a third party together with a document entitled "observations". The statements made in the observations document are based on an incorrect reading of the claims that asserts that independent claims in the EPO application read on any digital cinema system. This is plainly not the case. None of independent claims 1, 9, 13, 15, 17, 18, 21 or 25 in this application nor any of the claims in the EPO application (which are different than those in the present application) has ever been that broadly drafted.

The references cited in the EPO submission are identified in the accompanying IDS, and the applicant has also submitted herewith a copy of the third party observations as well as a copy of applicant's response that is being filed in the EPO. The observations are based on an incorrect reading of the claims and simply include unsupported conclusive assertions that the claims lack inventive step in view of a manual relating to Scala, an article titled "Making Digital Cinema Actually Happen", and U.S. Patent No. 5,761,601 (to Nemirofsky), which is already of record in this application. These documents utterly fail to disclose, teach or suggest the claimed invention. Although many of the references cited in the EPO submission are not prior art under U.S. law to the present application, they are all included in the accompanying IDS for completeness to the extent that they are not already cited in a previously filed IDS. Applicant does not concede that each of the references cited in the accompanying IDS is prior art under U.S. law.

The present application relates to a system for providing highly targeted advertising as specifically claimed in each of the claims. In fact, the existence of such a volume of prior art relating to digital cinema systems in general with no mention of any type of automated system for providing such highly targeted advertising supports applicant's position that such was not at all obvious at the time of the applicant's invention.

Applicant respectfully urges that each of claims 1 - 26 is in condition for allowance.

Favorable action consistent with the above is respectfully requested.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'W. E. Hilton', is written over a horizontal line.

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